

# SeaBird Exploration

First Quarter Presentation

5 May 2017

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# Forward-looking statements

All statements contained in this presentation that are not statements of historical facts, including statements on projected operating results, financial position, business strategy and other plans and objectives for future results, constitute forward-looking statements and are prediction of, or indicate, future events and future trends which do not relate to historical matters. No person should rely on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in many cases, beyond the company's control and may cause its actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by the forward-looking statements and from past results, performance or achievements. These forward-looking statements are made as of the date of this presentation and are not intended to give any assurance as to future results. None of the company, its employees and representatives assumes any obligation to update these statements. This presentation includes historical financial data. Your attention is directed to the notes to such data for a description of the accounting principles used to prepare historical data. This presentation must be viewed only in connection with the company's separately distributed Q1 2017 earnings release.

# Agenda

- Highlights
- Business review
- Financial review
- Outlook
- Q&A

# Highlights



# Highlights

## Financial results

- Revenues of \$8.4 million (\$3.4 million Q4 2016)
- Adjusted EBITDA of negative \$0.1 million (negative \$2.9 million Q4 2016)
- Adjusted EBIT of negative \$3.6 million (negative \$6.5 million Q4 2016)
- Cash and cash equivalents of \$8.8 million (\$15.0 million in Q4 2016)
- Net non-recurring charges of \$2.7 million primarily relating to additional provisions for Munin Explorer

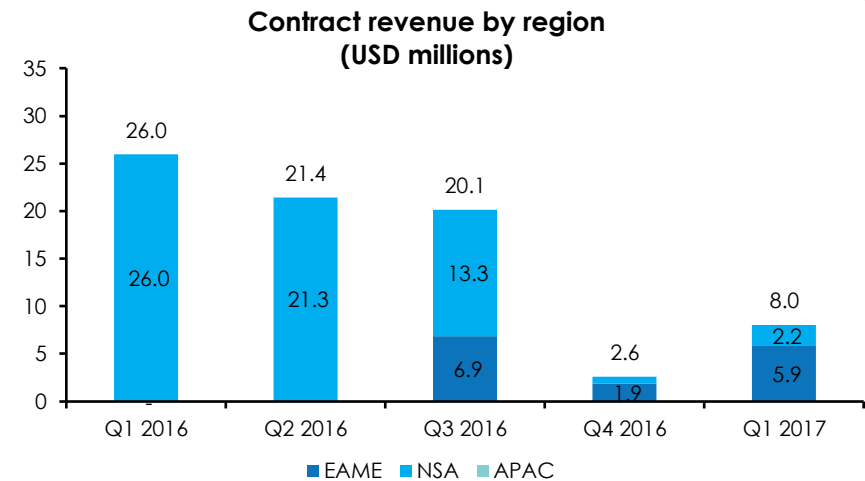
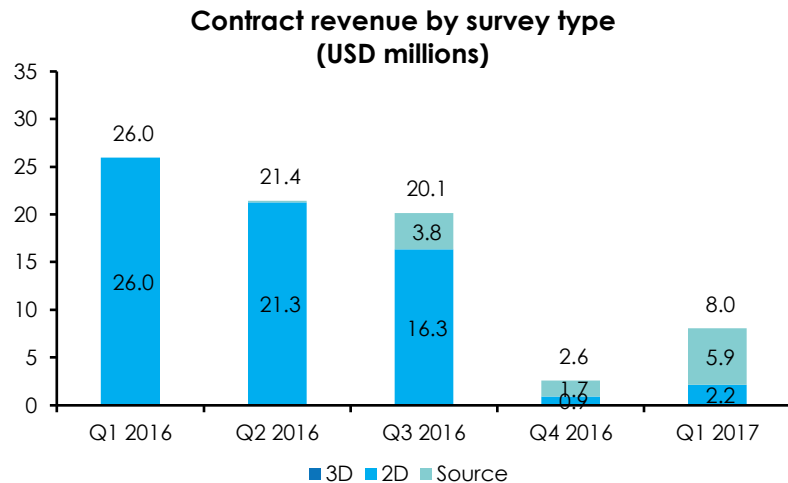
# Quarterly observations

- Continued market softness and weak winter-season, but improved tender activity over the last months
- Source contract in West Africa and 2D contract in South America completed
- Vessel utilization for the period of 36% (29% in Q4 2016)
- Three new contract awards amounting to seven to eight vessel months
- Negative cash flow development expected for the first half of the year; working with financial advisors to address

# Business review



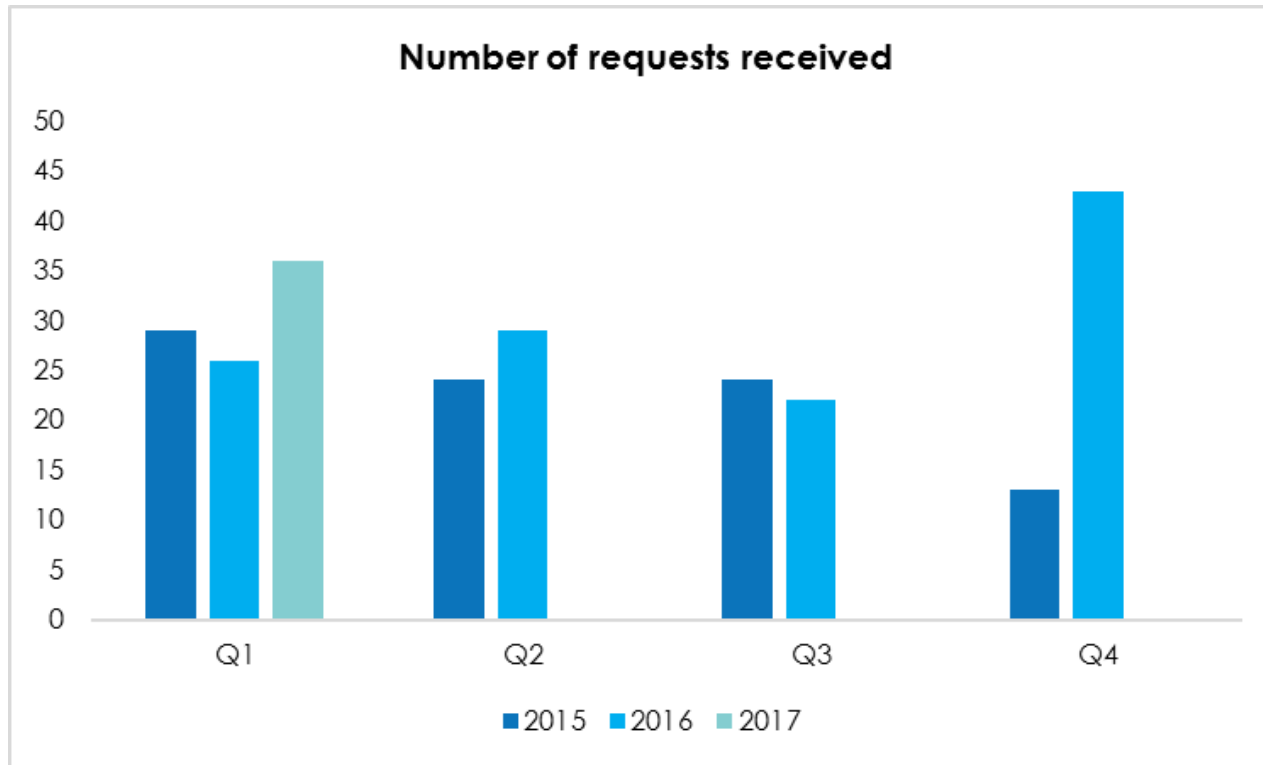
# Segment operating activity



- Q1 revenues impacted by seasonal weakness
- Improved activity in the source segment
- Largest revenue contribution from EAME region also in Q1



# Tender and bid activity



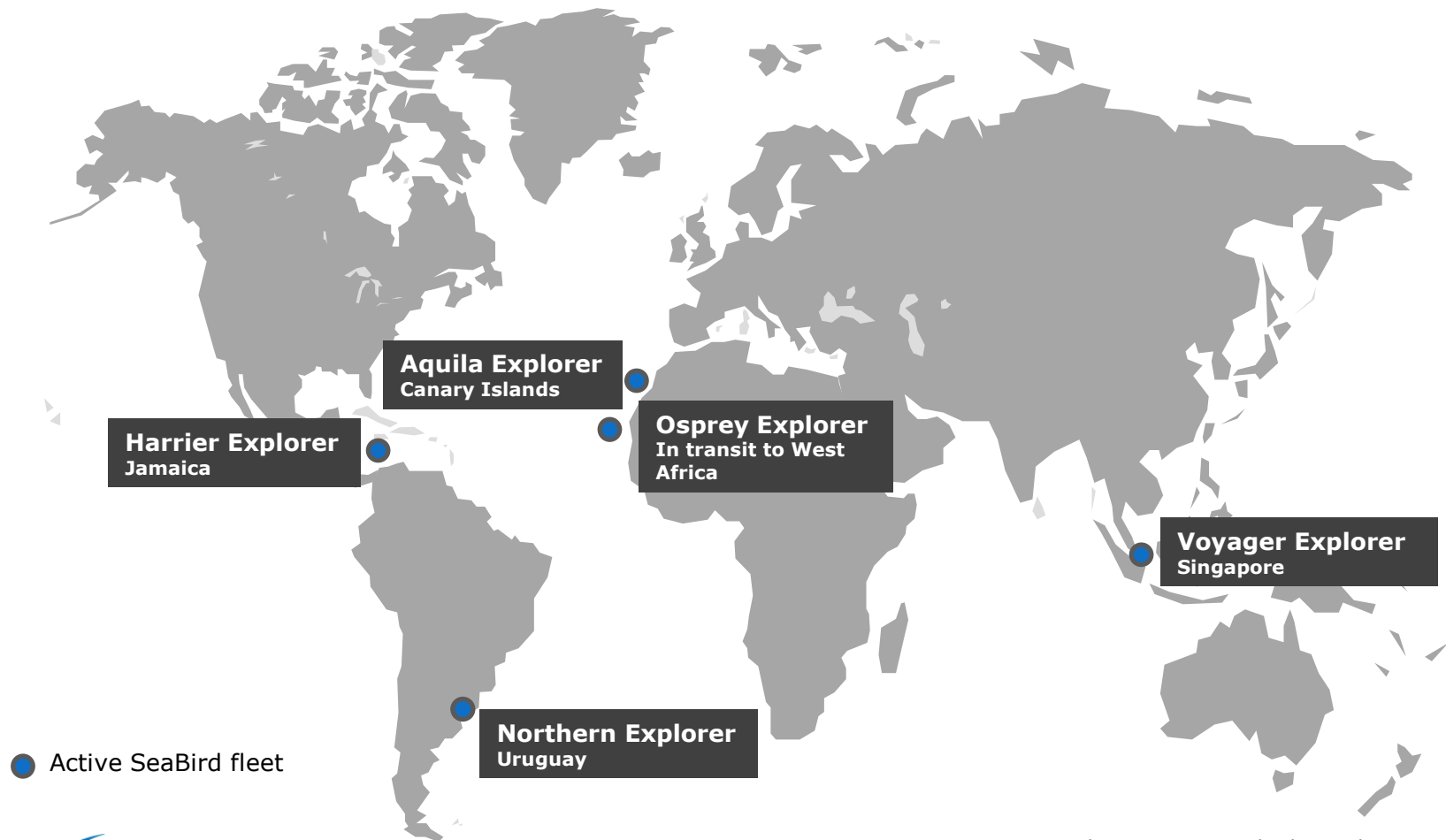
# Three new contract awards

- 2D contract in Caribbean commencing towards the end of first quarter 2017 with a duration of approximately one month
- Awarded 2D contract in West Africa with duration of approximately one month starting in Q2 2017
- Signed letter of intent to provide seismic source vessel for survey in the Asia Pacific region
  - Due to commence late Q2 2017 with an expected duration of five to six months



# SeaBird active seismic fleet

*May 2017*

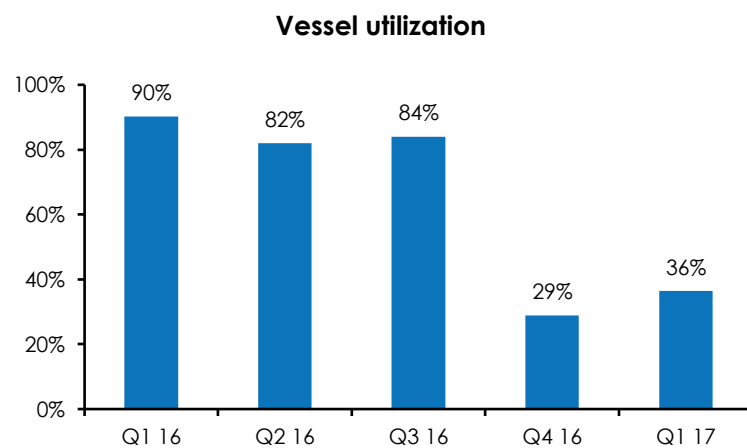
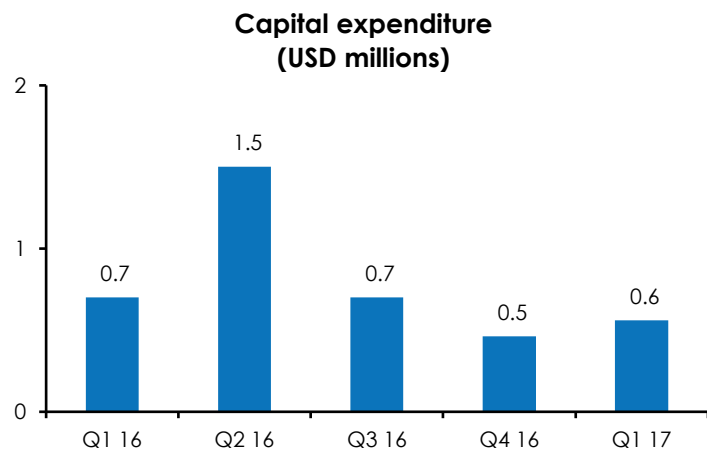
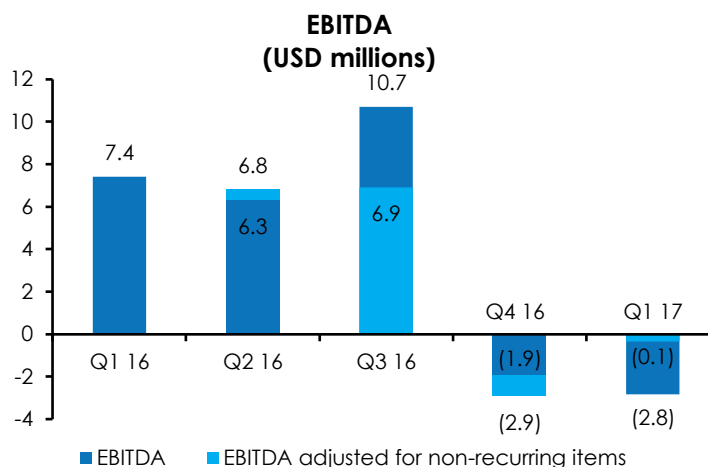
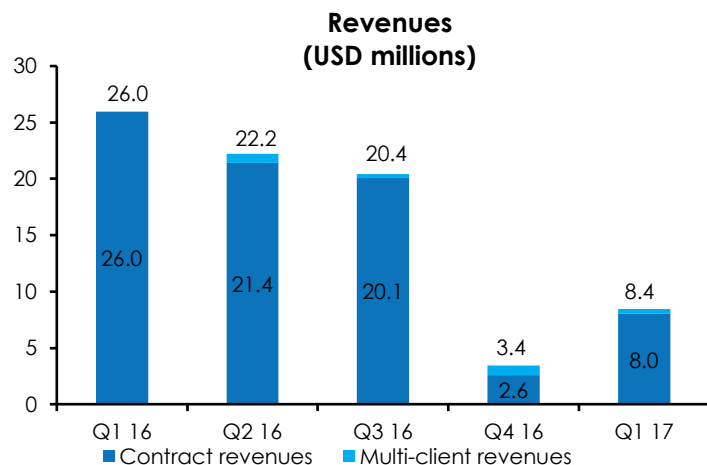


- Munin Explorer warm-stacked in Bahamas
- Voyager Explorer under reactivation

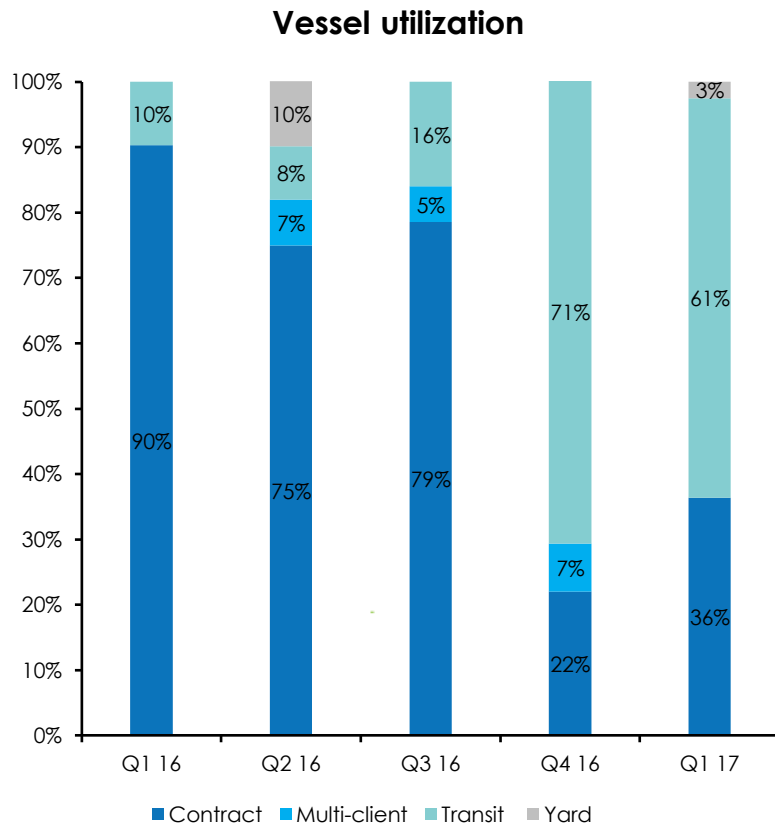
# Financial review



# Historical operating comparison



# Vessel utilization



- Q1 utilization of 36%, up from 29% in Q4 2016
  - Two active vessels working in the NSA region
  - One active vessel working in the EAME region

# Income statement Q1 2017

CONSOLIDATED INTERIM STATEMENT OF INCOME				
	Adjusted 2017	Non- recurring items 2017	Quarter ended 31 March	
All figures in USD millions (except EPS)			2017	2016
Contract	8.0	-	8.0	26.0
Multi-client	0.4	-	0.4	-
<b>Total revenues</b>	<b>8.4</b>	<b>-</b>	<b>8.4</b>	<b>26.0</b>
Cost of sales	(5.6)	(2.7)	(8.3)	(15.0)
SG&A	(3.1)	-	(3.1)	(3.9)
Reversal of bad debt charges	0.1	-	0.1	-
Other income (expenses), net	0.0	-	0.0	0.3
<b>EBITDA</b>	<b>(0.1)</b>	<b>(2.7)</b>	<b>(2.8)</b>	<b>7.4</b>
Depreciation	(3.1)	-	(3.1)	(3.4)
Amortization	(0.4)	-	(0.4)	(0.4)
Impairment	-	-	-	-
<b>EBIT</b>	<b>(3.6)</b>	<b>(2.7)</b>	<b>(6.3)</b>	<b>3.6</b>
Interest and finance expense	(1.2)	-	(1.2)	(1.5)
Income tax	(0.4)	-	(0.4)	(0.2)
<b>Profit/(loss)</b>	<b>(5.2)</b>	<b>(2.7)</b>	<b>(7.9)</b>	<b>1.8</b>
Earnings per share from continued operations				
Basic			(2.57)	0.59
Diluted			(2.57)	0.59

# Cash flow statement

CONSOLIDATED INTERIM STATEMENT OF CASH FLOW		
	Quarter ended 31 March	
All figures in USD millions	2017	2016
Profit/(loss) before income tax	(7.5)	2.0
Other non-cash items	2.9	3.0
Paid income tax	(0.3)	(0.3)
(Increase)/decrease in inventories	0.0	0.0
(Increase)/decrease in trade and other receivables	(4.2)	9.0
Increase/(decrease) in trade and other payables	3.9	(7.6)
<b>Net cash from operating activities</b>	<b>(5.2)</b>	<b>6.1</b>
Capital expenditures	(0.6)	(0.7)
Other long term investment	-	-
Multi-client investments	-	(0.0)
<b>Net cash from investing activities</b>	<b>(0.6)</b>	<b>(0.7)</b>
Borrowings	0.0	(0.8)
Other financial items	(0.6)	(0.8)
<b>Net cash from financing activities</b>	<b>(0.5)</b>	<b>(1.6)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6.3)</b>	<b>3.8</b>



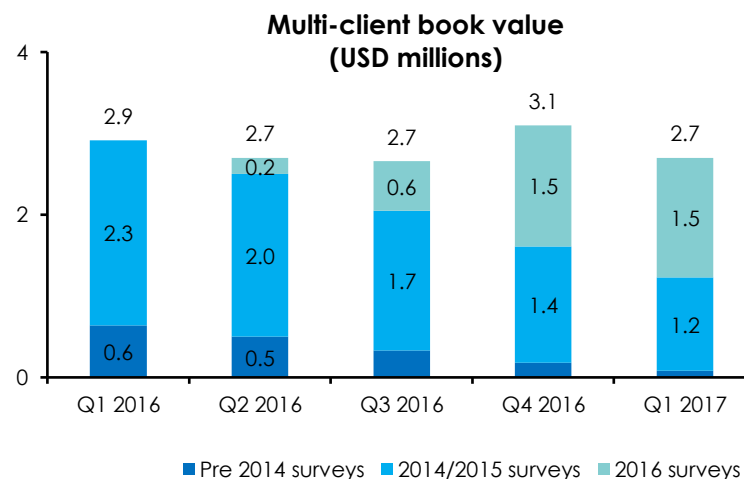
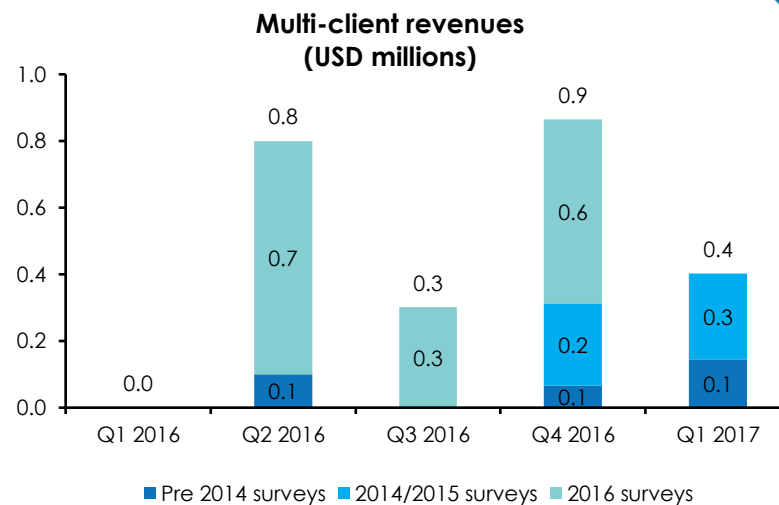
# Balance sheet

## CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

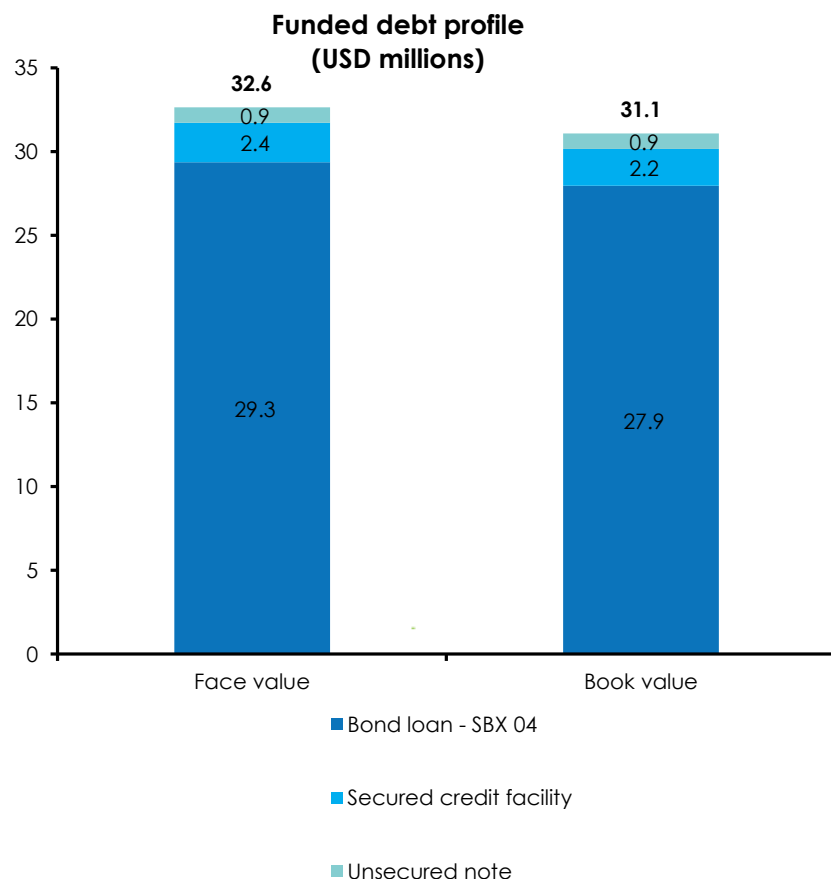
	As of 31 March	
All figures in USD millions (except for equity ratio)	2017	2016
Property, plant and equipment	45.0	64.7
Multi-client library	2.7	2.9
Other non-current assets	0.1	0.0
Inventories	1.2	3.1
Trade receivables	5.9	6.8
Other current assets	3.6	10.7
Cash and cash equivalents	8.8	10.1
<b>Total assets</b>	<b>67.3</b>	<b>98.3</b>
Equity	14.4	31.8
Non-current loans and borrowings	-	30.9
Trade and other payables	13.5	17.6
Provisions	3.0	10.2
Tax liabilities	5.3	5.4
Current loans and borrowings	31.1	2.4
<b>Total equity and liabilities</b>	<b>67.3</b>	<b>98.3</b>
Net interest bearing debt	22.3	23.2
Equity ratio %	21.4%	32.3%

# Multi-client update

- Multi-client revenues in the quarter of \$0.4 million relating to late sales
- No new multi-client projects performed in the first quarter



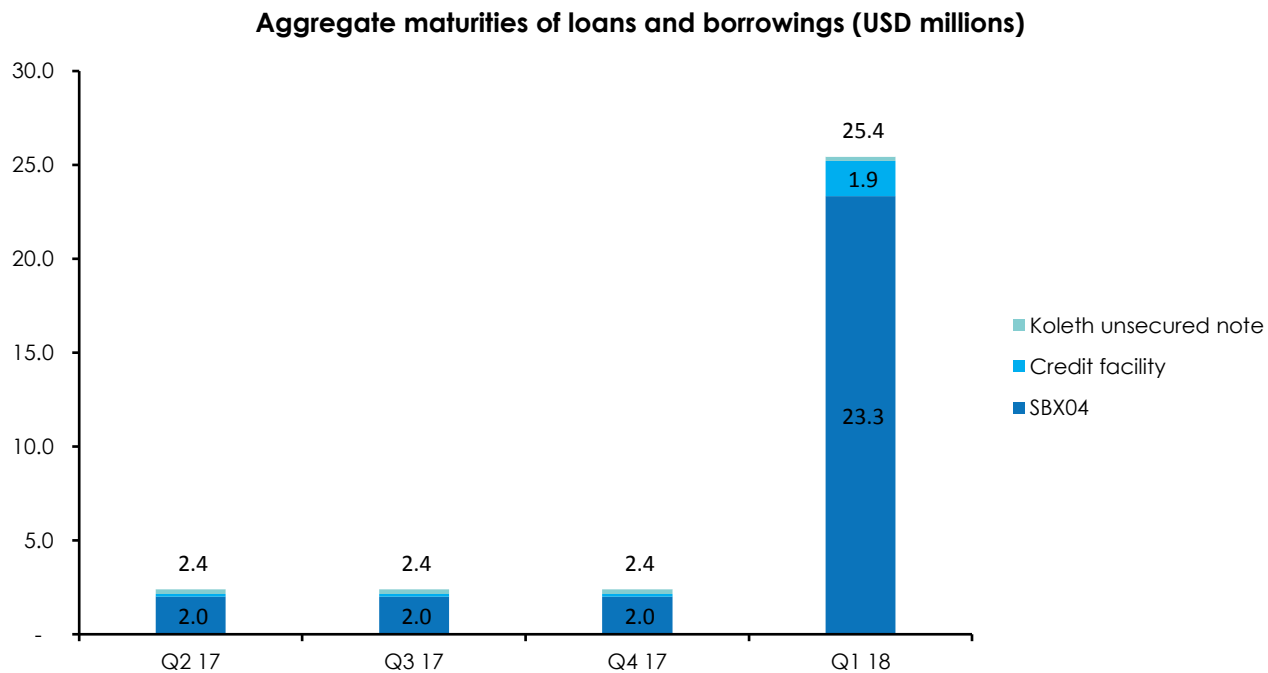
# Debt profile



## Covenants

- Leverage ratio < 2.5
- Unrestricted cash > \$5.0 million
- In compliance with both covenants as of 31 March 2017

# Debt maturities



# Provisions

- Additional charge of \$2.8 million related to Munin Explorer due to change in estimated reactivation date from Q3 2017 to the start of Q1 2018
- Remaining provision of \$3.0 million mainly relating to Munin Explorer

Provisions	
	USD millions
Starting balance 01 Jan 2017	2.0
Incurred cost	(1.5)
Changes in Munin Explorer provision estimate	2.8
Other changes	(0.3)
Interest expense	0.0
<b>Ending balance 31 Mar 2017</b>	<b>3.0</b>

# Outlook



# Outlook

- Market conditions in 2017 are expected to remain challenging with lengthy decision making processes
- The increased tender activity experienced in Q4 2016 has continued into 2017
- Global fleet capacity is reduced substantially and this should help a recovery in the sector
- SeaBird's core focus will remain backlog replenishment and continued attention to cost management and enhanced operational optimization

# Q&A

